

A regular meeting of the Michigan Public School Employees Retirement System Board was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, June 12, 2008. The following members, staff and observers participated:

Members Present: Lenore Croudy, Community College Trustee  
 Michael Flanagan, Superintendent of Public Instruction  
 Steven Jagusch, General Public Member, Investment Experience  
 William Lawson, Retired Finance/Operations Member and as a representative of the largest retiree organization  
 Edwin Martinson, Reporting Unit Board of Control Member  
 Susan Meston, Active Superintendent Member  
 John Olekszyk, Retiree Member  
 Diana Osborn, Non-Certified Support Member

Via Conference Phone: Richard Montcalm, Finance/Operations Member, Non-superintendent

Staff Present: Phil Stoddard, Executive Secretary  
 Terry Rideout, Recording Secretary

Others Present: Bonnie Carpenter, Marie Wilkerson, Don Miller, Ernest Dear, Dick Weaver, Robert Arthur, and Iris Arthur of the Michigan Association of Retired School Personnel; Charles Agerstrand of the Michigan Education Association-Retired; Brad Biladeau of the Michigan Association of School Administrators; Rob Spagnuolo of Waverly Community Schools; Richard Schaper of Western Michigan University; Anthony Alexander of Alexander and Associates; Barbara Murphy of Blue Cross Blue Shield of Michigan; Lisa Eggert of Delta Dental; Barbara Aikman of Vision Services Plan; Ben Louagie of Gabriel Roeder Smith & Co.; Richard Williams of Williams & Co.; Thomas Schimpf of the Attorney General's Office; Laurie Mitchell and Kathy Tober of the Office of Retirement Services.

### **Call to Order**

Chair Diana Osborn called the meeting to order at 10:30 a.m.

### **Excusing of Absent Members**

Lenore Croudy moved, Edwin Martinson supported, to excuse the absences of Ivy Bailey, Jeff Hoffman, and Martha Pichla. The motion carried unanimously.

### **Approval of Agenda**

Susan Meston moved, John Olekszyk supported, to approve the agenda as presented. The motion carried unanimously.

### **Approval of Minutes**

Lenore Croudy moved, Steven Jagusch supported, to approve the minutes of the April 24, 2008, meeting with one correction. The motion carried unanimously.

### **Administrative Hearings**

#### Proposal for Decision – Docket 2007-4858 PSRS

The Board considered the case materials. Edwin Martinson moved, Richard Montcalm supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 24, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits. The motion carried unanimously.

#### Proposal for Decision – Docket 2007-4863 PSRS

The Board considered the case materials. Richard Montcalm moved, John Olekszyk supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 28, PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to change the computation of his final average compensation. The motion carried unanimously.

#### Proposal for Decision – Docket 2007-804 PSRS

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the April 3, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for non-duty disability retirement benefits using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2008-97 PSRS

The Board considered the case materials. Edwin Martinson moved, Lenore Croudy supported, that the Board deny Petitioner's request to admit the three documents cited in Petitioner's Exceptions into the administrative record. The motion carried unanimously.

Edwin Martinson moved, Richard Montcalm supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 31, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for non-duty disability retirement benefits using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2008-93 PSRS

The Board considered the case materials. Susan Meston moved, Michael Flanagan supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 31, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and grant Petitioner's request to change the computation of his final average compensation. After discussion, William Lawson moved, Michael Flanagan supported to amend the motion to remove from the Conclusions of Law, the reference to, and analysis of, the *City of Adrian* case. A roll call vote was taken and the amended motion was approved with a vote of 7 yes votes and 2 no votes.

Lenore Croudy	yes	Michael Flanagan	yes
Steven Jagusch	yes	William Lawson	yes
Edwin Martinson	no	Susan Meston	yes
Richard Montcalm	yes	John Olekszyk	yes
Diana Osborn	no		

The Final Decision and Order will come before the Board for approval at the July 24, 2008 Board meeting.

Proposal for Decision – Docket 2007-3688 PSRS

The Board considered the case materials. Edwin Martinson moved, Steven Jagusch supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 14, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for duty disability retirement benefits. The motion carried unanimously.

Proposal for Decision – Docket 2007-AH091

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported, that the Board deny Petitioner's request to add the workers compensation voluntary payments form and social security letter into the administrative record. The motion carried unanimously.

Richard Montcalm moved, Edwin Martinson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the March 14, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for duty or non-duty disability retirement benefits. The motion carried with Susan Meston opposed.

### **Special Reports**

"miAccount Introduction & Overview" – Laurie Mitchell of the Office of Retirement Services provided highlights and answered questions.

### **Standing Reports – Committee Reports**

#### Legislative Committee

Phil Stoddard offered comments on HB 4593 (H6) that recently passed out of committee. Phil explained that this bill addresses the schools' needs to fill critical positions and also requires employers to recognize the costs associated with rehiring retirees. It includes provisions for schools to make health care contributions on behalf of returning retirees beginning the 3<sup>rd</sup> year of reemployment.

Health Insurance Committee – Diana Osborn reported that the Health Insurance Committee would be meeting briefly following the Board meeting today.

### **Board Comments**

No comments were received.

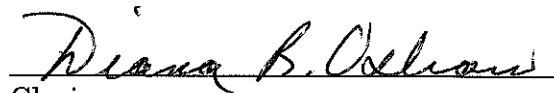
**Public Comments**

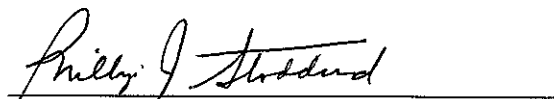
Comments were received from Ernest Dear, Charles Agerstrand and Bonnie Carpenter.

**Adjournment**

Lenore Croudy moved, Edwin Martinson supported, to adjourn the meeting at 11:47 a.m. The motion carried unanimously.

**OFFICIAL MINUTES**

  
Chair

  
Executive Secretary